

高萌·科技

KML Technology Group Limited

高萌科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 8065

Interim Report
中期報告 **2020**

CHARACTERISTIC OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Director(s)”) of KML Technology Group Limited (the “Company”, together with its subsidiaries, the “Group” or “We”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

This report, in both English and Chinese versions, is available on the Company’s website at www.kml.com.hk.

香港聯合交易所有限公司（「聯交所」） GEM的特色

GEM的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

香港交易及結算所有限公司以及聯交所對本報告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告的資料乃遵照聯交所的GEM證券上市規則（「GEM上市規則」）而刊載，旨在提供有關高萌科技集團有限公司（「本公司」）連同其附屬公司「本集團」或「我們」的資料；本公司董事（「董事」）願就本報告共同及個別地承擔全部責任。董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成份，且並無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

本報告的英文本及中文本已登載於本公司網站www.kml.com.hk。

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Luk Kam Ming (*Chairman*)
Mr. Chan Chak Lun Philip (*Chief executive officer*)
Mr. Luk Kwai Lung
Mr. Luk Yin Cheung

Independent Non-executive Directors

Mr. Lau On Kwok
Mr. Law Wing Chi Stephen
Dr. Tse Chi Kong

Audit Committee

Mr. Lau On Kwok (*Chairman*)
Mr. Law Wing Chi Stephen
Dr. Tse Chi Kong

Remuneration Committee

Dr. Tse Chi Kong (*Chairman*)
Mr. Lau On Kwok
Mr. Luk Kam Ming

Nomination Committee

Mr. Luk Kam Ming (*Chairman*)
Mr. Law Wing Chi Stephen
Dr. Tse Chi Kong

Risk Management Committee

Mr. Law Wing Chi Stephen (*Chairman*)
Mr. Chan Chak Lun Philip
Mr. Lau On Kwok
Mr. Luk Kwai Lung
Mr. Luk Yin Cheung

公司資料

董事會

執行董事

陸鑑明先生 (*主席*)
陳澤麟先生 (*行政總裁*)
陸季農先生
陸彥彰先生

獨立非執行董事

劉安國先生
羅永志先生
謝智剛博士

審核委員會

劉安國先生 (*主席*)
羅永志先生
謝智剛博士

薪酬委員會

謝智剛博士 (*主席*)
劉安國先生
陸鑑明先生

提名委員會

陸鑑明先生 (*主席*)
羅永志先生
謝智剛博士

風險管理委員會

羅永志先生 (*主席*)
陳澤麟先生
劉安國先生
陸季農先生
陸彥彰先生

AUTHORISED REPRESENTATIVES

Mr. Luk Kwai Lung
Ms. Woo Siu Wai

法定代表

陸季農先生
胡劭卉女士

COMPANY SECRETARY

Ms. Woo Siu Wai

公司秘書

胡劭卉女士

COMPLIANCE OFFICER

Mr. Luk Yin Cheung

合規主任

陸彥彰先生

AUDITOR

Ernst & Young
Certified Public Accountants
22nd Floor, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

核數師

安永會計師事務所
執業會計師
香港中環
添美道1號
中信大廈22樓

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

B12, G/F
Shatin Industrial Centre
Siu Lek Yuen Road
Shatin, New Territories
Hong Kong

香港總部及主要營業地點

香港
新界沙田
小瀝源路
沙田工業中心
地下B12室

**PRINCIPAL SHARE REGISTRAR AND TRANSFER
OFFICE IN THE CAYMAN ISLANDS**

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited
HSBC Main Building
1 Queen's Road Central
Hong Kong

COMPANY'S WEBSITE

www.kml.com.hk

STOCK CODE

8065

DATE OF LISTING

16 October 2017

開曼群島主要股份過戶登記處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O.Box 2681
Grand Cayman, KY1-1111
Cayman Islands

香港股份登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

主要往來銀行

香港上海滙豐銀行有限公司
香港
皇后大道中1號
滙豐總行大廈

公司網站

www.kml.com.hk

股份代號

8065

上市日期

二零一七年十月十六日

FINANCIAL HIGHLIGHTS

Revenue of the Group for the six months ended 30 September 2020 amounted to approximately Hong Kong dollars (“**HK\$**”) 120.6 million, representing an increase of approximately HK\$14.0 million or 13.1% as compared with the revenue of approximately HK\$106.6 million for the six months ended 30 September 2019.

Gross profit of the Group for the six months ended 30 September 2020 amounted to approximately HK\$31.2 million (2019: approximately HK\$28.7 million).

The net profit of the Group for the six months ended 30 September 2020 amounted to approximately HK\$15.7 million (2019: net profit approximately HK\$6.0 million).

The board of directors (the “**Board**”) does not recommend a payment of an interim dividend for the six months ended 30 September 2020 (2019: Nil).

財務摘要

本集團截至二零二零年九月三十日止六個月的收益約為120.6百萬港元（「港元」），較截至二零一九年九月三十日止六個月的收益約106.6百萬港元增加約14.0百萬港元或13.1%。

本集團截至二零二零年九月三十日止六個月的毛利約為31.2百萬港元（二零一九年：約28.7百萬港元）。

本集團截至二零二零年九月三十日止六個月的純利約為15.7百萬港元（二零一九年：純利約6.0百萬港元）。

董事會（「**董事會**」）不建議就截至二零二零年九月三十日止六個月派付中期股息（二零一九年：無）。

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2020

簡明綜合損益及其他全面收益表

截至二零二零年九月三十日止六個月

| | | Six months ended | | |
|--|---------------------|-------------------------|---------------------|--------------|
| | | 30 September | | |
| | | 截至九月三十日止六個月 | | |
| | | 2020 | 2019 | |
| | | 二零二零年 | 二零一九年 | |
| | | HK\$'000 | HK\$'000 | |
| | | 千港元 | 千港元 | |
| | | (Unaudited) | (Unaudited) | |
| | | (未經審核) | (未經審核) | |
| Revenue | 收益 | 4 | 120,645 | 106,589 |
| Cost of sales | 銷售成本 | | (89,402) | (77,920) |
| Gross profit | 毛利 | | 31,243 | 28,669 |
| Other income | 其他收入 | 5 | 7,482 | 511 |
| Other gains and loss, net | 其他收益及虧損淨額 | | 148 | 8 |
| Impairment losses on financial assets and contract assets, net of reversal | 金融資產及合約資產減值虧損，扣除撥回 | | 239 | (107) |
| Administrative expenses | 行政開支 | | (21,551) | (21,713) |
| Finance costs | 融資成本 | 6 | (158) | (92) |
| Profit before tax | 除稅前溢利 | | 17,403 | 7,276 |
| Income tax expense | 所得稅開支 | 8 | (1,655) | (1,243) |
| Profit and total comprehensive income for the period attributable to owners of the Company | 本公司擁有人應佔期內溢利及全面收益總額 | | 15,748 | 6,033 |
| Earnings per share attributable to ordinary equity holders of the Company | 本公司普通股權益持有人應佔每股盈利 | | | |
| Basic | 基本 | | HK3.98 cents | HK1.51 cents |
| | | | 3.98港仙 | 1.51港仙 |
| Diluted | 攤薄 | | HK3.98 cents | HK1.51 cents |
| | | | 3.98港仙 | 1.51港仙 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2020

簡明綜合財務狀況表

於二零二零年九月三十日

| | | As at 於 | |
|--|--------------------|--|--|
| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
| | Notes 附註 | | |
| Non-current assets | 非流動資產 | | |
| Property, plant and equipment | 物業、廠房及設備 | 11 | 6,775 |
| Right-of-use assets | 使用權資產 | | 5,973 |
| Deposits | 按金 | | 8,687 |
| Financial assets at fair value through profit or loss | 按公允值計入損益的金融資產 | 12 | 1,145 |
| Total non-current assets | 非流動資產總額 | | 19,634 |
| Current assets | 流動資產 | | |
| Inventories | 存貨 | | 281 |
| Trade receivables | 貿易應收款項 | 13 | 49,669 |
| Other receivables, deposits and prepayments | 其他應收款項、按金及預付款項 | | 45,665 |
| Contract assets | 合約資產 | | 5,623 |
| Pledged bank deposits | 已抵押銀行存款 | | 9,252 |
| Time deposits with original maturity over three months | 原到期日超過三個月 的定期存款 | | 63,125 |
| Bank balances and cash | 銀行結餘及現金 | | 14,045 |
| Total current assets | 流動資產總額 | | 16,466 |
| | | | 75,094 |
| | | | 215,432 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 September 2020

簡明綜合財務狀況表(續)

於二零二零年九月三十日

| | | As at 於 | |
|---------------------------------------|-----------|------------------------------|------------------|
| | | 30 September 2020 | 31 March 2020 |
| | | 二零二零年 九月三十日 | 二零二零年 三月三十一日 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Current liabilities | 流動負債 | | |
| Trade and other payables | 貿易及其他應付款項 | 14 34,917 | 29,269 |
| Lease liabilities | 租賃負債 | 2,916 | 5,611 |
| Contract liabilities | 合約負債 | 24,755 | 31,462 |
| Tax payable | 應付稅項 | 1,831 | 448 |
| Total current liabilities | 流動負債總額 | 64,419 | 66,790 |
| Net current assets | 流動資產淨值 | 159,089 | 148,642 |
| Total assets less current liabilities | 總資產減流動負債 | 178,723 | 169,628 |
| Non-current liabilities | 非流動負債 | | |
| Lease liabilities | 租賃負債 | 3,530 | 3,090 |
| Deferred tax liabilities | 遞延稅項負債 | 623 | 352 |
| Total non-current liabilities | 非流動負債總額 | 4,153 | 3,442 |
| Net assets | 資產淨值 | 174,570 | 166,186 |
| Equity | 權益 | | |
| Share capital | 股本 | 4,000 | 4,000 |
| Reserves | 儲備 | 170,570 | 162,186 |
| Total equity | 總權益 | 174,570 | 166,186 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2020

簡明綜合權益變動表

截至二零二零年九月三十日止六個月

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | |
|--|-----------------------------|---|-------------------------|---|---|--|-------------------------|------------------------|
| | | Share capital | Share premium | Shares held under the share award scheme 股份獎勵計劃項下持有的股份 | Other reserves | Share-based payments reserves 以股份為基礎付款的儲備 | Accumulated profits | Total equity |
| | | 股本 HK\$'000 千港元 | 股份溢價 HK\$'000 千港元 | 持有的股份 HK\$'000 千港元 | 其他儲備 HK\$'000 千港元 (Note) (附註) | 儲備 HK\$'000 千港元 | 累計溢利 HK\$'000 千港元 | 總權益 HK\$'000 千港元 |
| Six months ended | 截至二零二零年九月三十日 | | | | | | | |
| 30 September 2020 | 止六個月 | | | | | | | |
| At 31 March 2020 and 1 April 2020 (audited) | 於二零二零年三月三十一日及二零二零年四月一日(經審核) | 4,000 | 47,552 | (858) | 14,791 | 305 | 100,396 | 166,186 |
| Profit and total comprehensive income for the period | 期內溢利及全面收益總額 | - | - | - | - | - | 15,748 | 15,748 |
| Equity-settled share option arrangements | 權益結算購股權安排 | - | - | - | - | 472 | - | 472 |
| Purchases of shares and contribution in the share award scheme | 購買股份及股份獎勵計劃的供款 | - | - | (142) | - | - | - | (142) |
| Equity-settled share award arrangements | 權益結算股份獎勵安排 | - | - | - | - | 237 | - | 237 |
| Vesting of shares of share award scheme | 股份獎勵計劃的股份歸屬 | - | - | 176 | - | (176) | - | - |
| Dividend paid | 已付股息 | - | - | - | - | - | (7,931) | (7,931) |
| At 30 September 2020 (unaudited) | 於二零二零年九月三十日(未經審核) | 4,000 | 47,552 | (824) | 14,791 | 838 | 108,213 | 174,570 |
| Six months ended | 截至二零一九年九月三十日 | | | | | | | |
| 30 September 2019 | 止六個月 | | | | | | | |
| At 31 March 2019 and 1 April 2019 (audited) | 於二零一九年三月三十一日及二零一九年四月一日(經審核) | 4,000 | 47,552 | - | 14,339 | 1,166 | 77,078 | 144,135 |
| Profit and total comprehensive income for the period | 期內溢利及全面收益總額 | - | - | - | - | - | 6,033 | 6,033 |
| Equity-settled share option arrangements | 權益結算購股權安排 | - | - | - | - | 295 | - | 295 |
| At 30 September 2019 (unaudited) | 於二零一九年九月三十日(未經審核) | 4,000 | 47,552 | - | 14,339 | 1,461 | 83,111 | 150,463 |

Note: The Group's other reserves mainly represent (i) the difference between the nominal value of the ordinary shares issued by the Company and the share capital of subsidiaries acquired through an exchange of shares pursuant to the reorganisation of the Group during the year ended 31 March 2018 and (ii) the deemed capital contribution from Mr. Luk Kam Ming ("Mr. KM Luk"), a controlling shareholder and an executive Director of the Company, in respect of the transfer of 2,000,000 shares to the trust of the share award scheme at nil consideration.

附註：本集團之其他儲備主要指(i)本公司截至二零一八年三月三十一日止年度之已發行普通股之面值與透過根據本集團重組交換股份所收購附屬公司股本之差額及(ii)就按零代價向股份獎勵計劃之信託轉讓2,000,000股股份而言，視作本公司控股股東及執行董事陸鑾明先生(「陸鑾明先生」)注資。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2020

簡明綜合現金流量表

截至二零二零年九月三十日止六個月

| | | Six months ended | |
|---|-----------------------|-------------------------|-------------|
| | | 30 September | |
| | | 截至九月三十日止六個月 | |
| | | 2020 | 2019 |
| | | 二零二零年 | 二零一九年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| NET CASH FROM OPERATING ACTIVITIES | 經營活動所產生的現金淨額 | 21,101 | 23,746 |
| CASH FLOWS FROM INVESTING ACTIVITIES | 投資活動所產生的現金流量 | | |
| Bank interest received | 已收銀行利息 | 244 | 453 |
| Purchase of property, plant and equipment | 購置物業、廠房及設備 | (1,752) | (3,350) |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備的所得款項 | - | 8 |
| Withdrawn of time deposits with original maturity date over three months | 提取原到期日超過三個月的定期存款 | 16,632 | - |
| Placement of time deposits with original maturity date over three months | 存入原到期日超過三個月的定期存款 | (26,751) | (17,488) |
| Placement of pledged bank deposits | 存入有抵押銀行存款 | (121) | - |
| Addition of financial assets at fair value through profit or loss | 添置按公允值計入損益的金融資產 | - | (6,240) |
| Net cash flows used in investing activities | 投資活動所用的現金流量淨額 | (11,748) | (26,617) |
| CASH FLOWS FROM FINANCING ACTIVITIES | 融資活動所產生的現金流量 | | |
| New bank loan | 新增銀行貸款 | - | 2,600 |
| Purchase of shares for the share award scheme | 就股份獎勵計劃購買股份 | (142) | - |
| Principal portion of lease payments | 租賃付款的本金部分 | (2,838) | - |
| Dividend paid | 已付股息 | (7,931) | - |
| Net cash flows from/(used in) financing activities | 融資活動所產生/(所用)的現金流量淨額 | (10,911) | 2,600 |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | 現金及現金等價物減少淨額 | (1,558) | (271) |
| Cash and cash equivalents at beginning of the period | 期初現金及現金等價物 | 76,652 | 36,989 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, represented by bank balances and cash | 期末現金及現金等價物，按銀行結餘及現金列示 | 75,094 | 36,718 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2020

簡明綜合財務報表附註

截至二零二零年九月三十日止六個月

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 5 May 2017 under the Companies Law, Cap. 22 (Law 3 of 1961, a consolidated and revised) of the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is located at B12, G/F, Shatin Industrial Centre, Siu Lek Yuen Road, Shatin, New Territories, Hong Kong.

The Company's shares were listed on the GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 16 October 2017. The principal activity of the Company is investment holding and its subsidiaries are principally engaged in the provision of electrical and mechanical ("**E&M**") engineering solutions and services. The condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which is the same as the functional currency of the Company and its principal subsidiaries.

1. 一般資料

本公司於二零一七年五月五日 在開曼群島根據開曼群島第22章公司法(一九六一年第3號法律，經綜合及修訂)註冊成立為一間獲豁免有限公司。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司於香港的主要營業地址為香港新界沙田小瀝源路沙田工業中心地下B12室。

本公司股份於二零一七年十月十六日在香港聯合交易所有限公司(「**聯交所**」)GEM上市。本公司的主要業務為投資控股及其附屬公司主要從事提供機電(「**機電**」)工程解決方案及服務。簡明綜合財務報表以港元(「**港元**」)呈列，港元亦為本公司及其主要附屬公司的功能貨幣。

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements of Group (the “**Interim Financial Statements**”) has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Hong Kong Companies Ordinance.

The condensed consolidated interim financial information does not include all the information and disclosures required in the annual financial statements and should read in conjunction with the Group’s annual financial statements for the year ended 31 March 2020.

The condensed consolidated interim financial information of the Group has been prepared in accordance with the same accounting policies adopted in the Group’s annual financial statements for the year ended 31 March 2020, except for the adoption of (i) accounting for joint operations below and (ii) the revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) as disclosed in note 3 below.

Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

2. 編製基準

本集團的簡明綜合中期財務報表（「**中期財務報表**」）乃根據由香港會計師公會（「**香港會計師公會**」）所頒佈的香港會計準則（「**香港會計準則**」）第34號「**中期財務報告**」以及香港聯合交易所有限公司GEM證券上市規則（「**GEM上市規則**」）及香港公司條例的適用披露規定編製。

簡明綜合中期財務資料並無包括年度財務報表所需的全部資料及披露，並應與本集團截至二零二零年三月三十一日止年度的年度財務報表一併閱讀。

除採納 (i) 下文合營業務的會計處理及 (ii) 按下文附註3所披露經修訂香港財務報告準則（「**香港財務報告準則**」）（包括所有香港財務報告準則、香港會計準則及詮釋）外，本集團的簡明綜合中期財務資料根據本集團截至二零二零年三月三十一日止年度的年度財務報表中所採納的相同會計政策編製。

合營業務權益

合營業務指擁有共同控制權的各方享有與該安排相關的資產權利及負債責任的一種合營安排。共同控制指按照合約約定對一項安排所共有之控制權，共同控制僅在有關活動要求享有控制權之訂約方作出一致同意之決定時存在。

2. BASIS OF PREPARATION (Continued)

The Group recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The assets, liabilities, revenues and expenses relating to the Group's interest in a joint operation are accounted for in accordance with the HKFRSs applicable to the particular assets, liabilities, revenues and expenses.

This condensed consolidated interim financial information has not been audited or reviewed by the Company's external auditors, but has been reviewed by the Company's audit committee.

3. CHANGES IN ACCOUNTING POLICIES

In the accounting period beginning from 1 April 2020, the Group has adopted, for the first time, the following amendments to HKFRSs issued by the HKICPA that affect the Group and are adopted for the current period's financial information:

| | |
|--|--------------------------------|
| Amendments to HKFRS 3 | Definition of a Business |
| Amendments to HKFRS 9, HKAS 39 and HKFRS 7 | Interest Rate Benchmark Reform |
| Amendments to HKAS 1 and HKAS 8 | Definition of Material |

2. 編製基準(續)

本集團於合營業務權益確認以下各項：

- 其資產，包括其應佔任何共同持有之資產；
- 其負債，包括其應佔任何共同承擔之負債；
- 其銷售應佔合營業務產量之收益；
- 其來自銷售合營業務產量之應佔收益；及
- 其開支，包括其應佔任何共同承擔之開支。

本集團於合營業務中之權益所涉的資產、負債、收益及開支乃根據適用於該特定資產、負債、收益及開支的香港財務報告準則入賬。

本簡明綜合中期財務資料未經本公司外部核數師審核或審閱，惟其已由本公司審核委員會審閱。

3. 會計政策的變更

於自二零二零年四月一日起的會計期間，本集團已首次採納下列香港會計師公會頒佈的經修訂香港財務報告準則，有關準則對本集團構成影響，並於本期間的財務資料採用：

| | |
|---|--------|
| 香港財務報告準則 第3號(修訂本) | 業務的定義 |
| 香港財務報告準則 第9號、香港會計準則第39號及香港財務報告準則 第7號(修訂本) | 利率基準改革 |
| 香港會計準則第1號及香港會計準則 第8號(修訂本) | 重大的定義 |

3. CHANGES IN ACCOUNTING POLICIES (Continued)

These amendments have had no material effect on how the Group's results and financial position for the current or prior periods that have been presented in this Interim Financial Statements. The Group has not applied any other new standards or interpretation that is not yet effective for the current accounting period.

4. REVENUE AND SEGMENTAL INFORMATION

An analysis of the Group's revenue for both periods is as follows:

| | |
|--|------------------|
| E&M engineering solutions and services (Note a) | 機電工程解決方案及服務(附註a) |
| E&M engineering maintenance services | 機電工程保養服務 |
| E&M engineering design and fabrication services (Note b) | 機電工程設計及裝配服務(附註b) |
| Sales of parts and components | 銷售零件及部件 |

3. 會計政策的變更(續)

該等修訂並無對本中期財務報表中呈列的本集團於本期間或過往期間的業績及財務狀況產生重大影響。本集團並無採納其他於本會計期間尚未生效的新準則或詮釋。

4. 收益及分部資料

本集團於該兩個期間的收益分析如下：

| Six months ended 30 September 截至九月三十日止六個月 | |
|---|---|
| 2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核) |
| 93,584 | 88,335 |
| 19,672 | 16,177 |
| 6,751 | 1,580 |
| 638 | 497 |
| 120,645 | 106,589 |

4. REVENUE AND SEGMENTAL INFORMATION (Continued)

Notes:

- (a) Amount represents revenue generated from design, supply, installation of systems and implementation of E&M engineering solutions and services, design and fabrication services for the fabrication of made-to-order products for the customers, where applicable (“**E&M engineering solutions and services**”).
- (b) Amount represents revenue generated from design and fabrication services for the fabrication of made-to-order products for the customers, such as control room consoles, public access kiosks and terminals, relay racks, test rigs and also control room technical furniture and industrial enclosures and instrument cabinets without supply, installation of systems and implementation of E&M engineering solutions and services (“**E&M engineering design and fabrication services**”).

Segment information

The Group’s operation is derived from E&M engineering solutions and services, and E&M engineering maintenance services with focus on (i) the automatic fare collection system at railway stations; (ii) the electronic payment and ticketing system; (iii) the road and tunnel toll collection system; (iv) the traffic control and surveillance system; and (v) the railway signaling communication and control system, E&M engineering design and fabrication services, as well as sales of parts and components during both periods. For the purposes of resource allocation and performance assessment, the chief operation decision maker (i.e. the executive directors of the Company) reviews the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment and no separate analysis of this single segment is presented other than entity-wide disclosure.

4. 收益及分部資料(續)

附註：

- (a) 該款項指系統設計、供應、安裝及執行機電工程解決方案及服務，為客戶裝配按訂單製造的產品設計及裝配服務所產生的收益（如適用）（「**機電工程解決方案及服務**」）。
- (b) 該款項指從有關為客戶製造定製產品（例如控制室控制台、公用關卡及終端、繼電器機架、試驗台以及控制室技術傢俬及工業外殼及儀器櫃）的設計及裝配服務（並無供應、安裝系統及執行機電工程解決方案及服務）（「**機電工程設計及裝配服務**」）所產生的收益。

分部資料

於該兩個期間內，本集團的經營來自機電工程解決方案及服務及機電工程保養服務，專注於(i)鐵路車站的自動收費系統；(ii)電子支付及票務系統；(iii)公路及隧道車輛繳費系統；(iv)交通管制及監察系統；及(v)軌道信號通訊及控制系統，機電工程設計及裝配服務以及銷售零件及部件。就資源分配及表現評估而言，主要經營決策者（即本公司執行董事）審閱本集團的整體業績及財務狀況。因此，本集團僅有一個單一經營分部及除實體範圍內的披露外，並無呈列該單一分部的單獨分析。

5. OTHER INCOME

| | |
|----------------------|--------|
| Bank interest income | 銀行利息收入 |
| Government subsidies | 政府補助 |
| Sundry income | 雜項收入 |

5. 其他收入

| Six months ended | |
|-------------------------|-------------|
| 30 September | |
| 截至九月三十日止六個月 | |
| 2020 | 2019 |
| 二零二零年 | 二零一九年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |
| (Unaudited) | (Unaudited) |
| (未經審核) | (未經審核) |
| 244 | 453 |
| 7,001 | – |
| 237 | 58 |
| 7,482 | 511 |

6. FINANCE COSTS

An analysis of finance costs is as follows:

| | |
|-------------------------------|---------|
| Interest on a bank loan | 銀行貸款之利息 |
| Interest on lease liabilities | 租賃負債之利息 |

6. 融資成本

融資成本分析如下：

| Six months ended | |
|-------------------------|-------------|
| 30 September | |
| 截至九月三十日止六個月 | |
| 2020 | 2019 |
| 二零二零年 | 二零一九年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |
| (Unaudited) | (Unaudited) |
| (未經審核) | (未經審核) |
| – | 92 |
| 158 | – |
| 158 | 92 |

7. PROFIT BEFORE TAX

7. 除稅前溢利

Profit before tax is arrived at after charging/(crediting):

除稅前溢利經扣除／（計入）
以下各項後達致：

| | | Six months ended | |
|---|-------------------------|-------------------------|--------------------|
| | | 30 September | |
| | | 截至九月三十日止六個月 | |
| | | 2020 | 2019 |
| | | 二零二零年 | 二零一九年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| Auditor's remuneration | 核數師薪酬 | 666 | 600 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 950 | 678 |
| Depreciation on right-of-use assets | 使用權資產折舊 | 2,915 | 2,791 |
| Directors' remuneration | 董事酬金 | 2,252 | 2,062 |
| Employee benefit expenses (excluding directors' and chief executives' remuneration) | 僱員福利開支(不包括董事及主要行政人員的薪酬) | | |
| Salaries and other benefits | 薪金及其他福利 | 35,973 | 34,763 |
| Retirement benefits scheme contributions | 退休福利計劃供款 | 1,215 | 1,198 |
| Equity-settled share-based payments | 權益計算以股份為基礎的付款 | 605 | - |
| Total employee benefit expenses | 僱員福利開支總額 | 37,793 | 35,961 |
| Cost of sales | 銷售成本 | | |
| - E&M engineering solutions and services | - 機電工程解決方案及服務 | 71,588 | 65,935 |
| - Others | - 其他 | 17,814 | 11,985 |
| Minimum lease payments under operating leases | 經營租賃項下之最低租賃付款 | - | 2,851 |
| Lease payments not included in the measurement of lease liabilities | 並不計入租賃負債計量之租賃付款 | 78 | - |
| Net foreign exchange (gain)/loss | 外匯(收益)／虧損淨額 | (148) | 38 |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備收益 | - | 8 |

8. INCOME TAX EXPENSE

| | |
|----------------------------------|-----------|
| Current – Hong Kong: | 即期 – 香港： |
| Charge for the period | 期內開支 |
| Deferred | 遞延 |
| | |
| Total tax expense for the period | 本期間稅項開支總額 |

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime effective from the year of assessment 2018/19. The first HK\$2 million (2019: HK\$2 million) of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

The Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands pursuant to the rules and regulations in those jurisdictions.

8. 所得稅開支

| Six months ended 30 September | |
|----------------------------------|-------------|
| 截至九月三十日止六個月 | |
| 2020 | 2019 |
| 二零二零年 | 二零一九年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |
| (Unaudited) | (Unaudited) |
| (未經審核) | (未經審核) |
| 1,383 | 691 |
| 272 | 552 |
| 1,655 | 1,243 |

香港利得稅已按期內於香港產生的估計應課稅溢利按16.5% (二零一九年：16.5%)的稅率計提撥備，惟本集團旗下一間附屬公司符合在二零一八／一九課稅年度起生效的兩級利得稅稅率制度除外。該附屬公司首2百萬港元(二零一九年：2百萬港元)的應課稅溢利按8.25%的稅率徵稅，其餘應課稅溢利按16.5%的稅率徵稅。

根據開曼群島及英屬處女群島的法律及法規，本集團毋須在該等司法權區繳納任何所得稅。

9. DIVIDEND

On 12 August 2020, the Board declared a final dividend of year ended 31 March 2020 of HK2.0 cents per ordinary share (2019: Nil). The total amount of final dividend distributed was HK\$8,000,000 million and was paid on 1 September 2020 including dividend of HK\$69,000 for share held under the share award scheme.

The Board does not recommend the payment of any dividend for the six months ended 30 September 2020 (2019: Nil).

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount for the period ended 30 September 2020 is based on the profit for the period attributable to owners of the Company of HK\$15,748,000 (2019: HK\$6,033,000), and the weighted average number of ordinary shares in issue less treasury shares held under share award scheme during the period of 396,045,000 (2019: 400,000,000).

No adjustment has been made to the basic earnings per share amount presented for the periods ended 30 September 2020 and 2019 in respect of a dilution as the impact of the share options outstanding had no dilutive effect on the basic earnings per share amount presented.

9. 股息

於二零二零年八月十二日，董事會宣佈派發截至二零二零年三月三十一日止年度的末期股息每股普通股2.0港仙(二零一九年：無)。分派的末期股息總額為8,000,000百萬港元，已於二零二零年九月一日派付包括股份獎勵計劃下所持股份的股息69,000港元。

董事會不建議就截至二零二零年九月三十日止六個月派付任何股息(二零一九年：無)。

10. 本公司普通股權益持有人應佔每股盈利

截至二零二零年九月三十日止期間每股基本盈利金額乃根據本公司擁有人應佔期內溢利15,748,000港元(二零一九年：6,033,000港元)，以及期內已發行普通股加權平均數減根據股份獎勵計劃持有的庫存股份396,045,000股(二零一九年：400,000,000股)計算。

由於尚未行使的購股權對所呈列每股基本盈利金額並無攤薄影響，故概無就攤薄對截至二零二零年及二零一九年九月三十日止期間所呈列的每股基本盈利金額作出調整。

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2020, the Group had additions to property, plant and equipment of HK\$1,752,000 (2019: HK\$3,350,000).

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Unlisted investments, at fair value 非上市投資(按公允值)

The above unlisted investments as at 30 September 2020 were the deposits paid for life insurance products issued by a bank in Hong Kong. They were classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

The aggregate carrying amounts of HK\$5,293,000 as at 30 September 2020 were pledged as security for a bank facility of the Group and the entire balance of the life insurance products is denominated in United States Dollars (“USD”).

11. 物業、廠房及設備

截至二零二零年九月三十日止六個月，本集團添置1,752,000港元(二零一九年：3,350,000港元)的物業、廠房及設備。

12. 按公允值計入損益的金融資產

| As at 於 | |
|--|--|
| 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
| 5,293 | 5,181 |

截至二零二零年九月三十日，上述非上市投資為就香港一家銀行發行人壽保險產品已支付的按金。該等產品被分類為按公允值計入損益的金融資產，原因為彼等的合約現金流量並非僅為支付本金及利息。

於二零二零年九月三十日，賬面總值5,293,000港元已抵押作為本集團銀行融資的抵押品，且人壽保險產品的全部結餘以美元(「美元」)列值。

13. TRADE RECEIVABLES

An ageing analysis of the current trade receivables as at the end of this reporting period, based on the invoice date, is as follows:

| | |
|----------------------------------|----------|
| 0-30 days | 0至30日 |
| 31-60 days | 31至60日 |
| 61-90 days | 61至90日 |
| Over 90 days | 超過90日 |
| Less: Accumulated loss allowance | 減：累計虧損撥備 |
| Total trade receivables | 貿易應收款項總額 |

13. 貿易應收款項

於本報告期末之流動貿易應收款項基於發票日期的賬齡分析如下：

| As at 於 | |
|--|--|
| 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
| 25,436 | 21,943 |
| 15,596 | 17,403 |
| 3,439 | 3,350 |
| 5,305 | 3,286 |
| 49,776 (107) | 45,982 (317) |
| 49,669 | 45,665 |

14. TRADE AND OTHER PAYABLES

14. 貿易及其他應付款項

| | | As at 於 | |
|--|-----------------------|--|--|
| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
| Trade and retention payables (Note a) | 貿易應付款項及應付 保留金(附註a) | 18,845 | 18,570 |
| Other payables and accrued charges (Note b) | 其他應付款項及應計費用 (附註b) | 16,072 | 10,699 |
| Total trade and other payables | 貿易及其他應付款項總額 | 34,917 | 29,269 |

Notes:

- (a) An ageing analysis of the current trade payables as at the end of this reporting period, based on the invoice date, is as follows:

附註：

- (a) 於本報告期末基於發票日期呈列的當期貿易應付款項的賬齡分析如下：

| | | As at 於 | |
|---|----------------------------|--|--|
| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
| Trade payables: | 貿易應付款項： | | |
| 0-30 days | 0至30日 | 5,330 | 7,311 |
| 31-60 days | 31至60日 | 469 | 171 |
| 61-90 days | 61至90日 | 163 | 115 |
| 91-365 days | 91至365日 | 446 | 366 |
| Over 365 days | 超過365日 | 6,175 | 5,391 |
| | | 12,583 | 13,354 |
| Retention payables | 應付保留金 | 6,262 | 5,216 |
| Total trade and retention payables | 貿易應付款項及應付 保留金總額 | 18,845 | 18,570 |

14. TRADE AND OTHER PAYABLES (Continued)

(b) Other payables and accrued charges

| | | As at 於 | |
|--|--------|--|--|
| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
| Accrued staff costs | 應計員工成本 | 4,396 | 4,100 |
| Provision for annual leave | 年假撥備 | 3,317 | 2,416 |
| Deferred subsidies income | 遞延補助收入 | 3,483 | - |
| Other accrued charges | 其他應計費用 | 4,876 | 4,183 |
| Total other payables and accrued charges | | 16,072 | 10,699 |

14. 貿易及其他應付款項(續)

(b) 其他應付款項及應計費用

15. RELATED PARTY TRANSACTIONS

The Group entered into the following transactions with its related parties:

| | | | |
|--|------------------------------|--------------|-------|
| Purchase of materials from Logistic Industrial Supply Company Limited ("Logistic Industrial") (Note a) | 向洛士工業器材有限公司(「洛士工業」)採購物料(附註a) | 7 | 90 |
| Rental payments KML Limited (Note b) | 繳付租金 圖遠有限公司(附註b) | 2,779 | 2,701 |

15. 關聯方交易

本集團與其關聯方訂立下列交易：

| Six months ended 30 September 截至九月三十日止六個月 | |
|---|---|
| 2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核) |
| 7 | 90 |
| 2,779 | 2,701 |

Notes:

- (a) Logistic Industrial is a company over which Mr. KM Luk and Ms. Leung Kwok Yee have significant influence. The purchase prices of goods were mutually agreed between the parties.
- (b) K M L Limited is controlled by Mr. KM Luk. Rental payments were on a mutually-agreed basis and constitute connected transactions or continuing connected transactions as defined in Chapter 20 of the GEM Listing Rules.

附註：

- (a) 洛士工業為陸鑑明先生及梁愷儀女士對其有重大影響力的公司。貨品之採購價由雙方相互協定。
- (b) 圖遠有限公司由陸鑑明先生控制。繳付租金按相互協定基準釐定，並構成關連交易或持續關連交易（定義見GEM上市規則第20章）。

BUSINESS REVIEW

業務回顧

The Group has been providing electrical and mechanical (“E&M”) engineering solutions and services in Hong Kong for over 40 years. Our principal business is the provision of E&M engineering works, and comprises (i) E&M engineering solutions and services on Transportation Mission Critical Systems Solutions and other E&M engineering solutions and services; (ii) E&M engineering design and fabrication services; (iii) E&M engineering maintenance services; and (iv) sales of parts and components. Depending on our customers’ needs and requirements, we provide a full spectrum of solutions and services covering design, equipment assembly, supply, installation, fabrication, testing, and commissioning and maintenance support with a focus on Hong Kong Transportation Mission Critical System Solutions.

本集團於香港提供機電(「機電」)工程解決方案和服務逾四十年。我們的主要業務為提供機電工程作業，包括(i)交通關鍵系統解決方案的機電工程解決方案及服務；(ii)機電工程設計及裝配服務；(iii)機電工程保養服務；及(iv)銷售零件及部件。視乎客戶的需求，我們提供涵蓋設計、設備裝置、供應、安裝、裝配、測試及調試以及維護支援的全面解決方案及服務，主要專注香港交通關鍵系統解決方案。

The following table sets forth the details of our Group’s revenue by type of projects and services we undertook for the six months ended 30 September 2020 and 2019:

下表載列本集團按於截至二零二零年及二零一九年九月三十日止六個月所承接的項目及服務類別劃分的收益詳情：

Type of Projects

項目類別

For the six months ended 30 September

截至九月三十日止六個月

| | | 2020 | | 2019 | |
|--|-----------------|----------------|--------------|----------------|--------------|
| | | 二零二零年 | % | 二零一九年 | % |
| | | HK\$'000 | | HK\$'000 | |
| | | 千港元 | | 千港元 | |
| E&M Engineering Solutions and Services | 機電工程解決方案及服務 | | | | |
| – Transportation Mission Critical System Solutions | – 交通關鍵系統解決方案 | 31,112 | 25.8 | 20,014 | 18.8 |
| – Other E&M Engineering Solutions and Services | – 其他機電工程解決方案及服務 | 62,472 | 51.8 | 68,321 | 64.1 |
| Subtotal | 小計 | 93,584 | 77.6 | 88,335 | 82.9 |
| E&M Engineering Design and Fabrication Services | 機電工程設計及裝配服務 | 6,751 | 5.6 | 1,580 | 1.5 |
| E&M Engineering Maintenance Services | 機電工程保養服務 | 19,672 | 16.3 | 16,177 | 15.2 |
| Sale of Parts and Components | 銷售零件及部件 | 638 | 0.5 | 497 | 0.4 |
| Total | 總計 | 120,645 | 100.0 | 106,589 | 100.0 |

E&M engineering solutions and services and E&M engineering maintenance services segments account for the largest two business segments of our Group's business. Approximately 93.9% of the revenue was attributable to these two segments for the six months ended 30 September 2020. The Group foresees that revenue generated from these two segments will continue to grow especially in relation to the renovation and replacement of E&M, communication and automatic fare collection ("AFC") assets projects from our customers as well as new business opportunities the Group has identified.

During the six months ended 30 September 2020, the Group has submitted 168 tenders and quotations to our customers (2019: 147 tenders and quotations) with 66 contracts being awarded (2019: 73 contracts) including (i) light rail ticket machine retrofit and hardening works; (ii) various projects in relation to the replacement or improvement works for the toll equipment at various road tunnels; and (iii) an installation subcontract in relation to the re-signalling at a railway depot. A more keen market competition is expected.

機電工程解決方案及服務及機電工程保養服務分部為本集團業務中兩大業務分部。截至二零二零年九月三十日止六個月，約93.9%的收益來自該兩大分部。本集團預計該兩個分部產生的收益尤其來自客戶的機電、通信及自動收費(「自動收費」)資產的機電翻新及更新項目的收益將繼續增長，以及本集團識別出的新商機。

截至二零二零年九月三十日止六個月，本集團已向客戶提交168項投標及報價(二零一九年：147項投標及報價)，已獲得的66份合約(二零一九年：73份合約)，其中包括(i)輕軌售票機改造及加固工程；(ii)有關公路隧道收費設備更換或改進工程的數個項目；及(iii)鐵路車廠重新裝設訊號系統的安裝分包工程。預計市場競爭將更加激烈。

OUTLOOK

The Group has been providing a full spectrum of E&M engineering solutions and services including development, design, fabrication, installation and maintenance for our customers. Apart from the existing business, the Group has been and will continue to expand our business scope as well as explore different market sectors. In April 2020, KML Engineering Limited (“**KML Engineering**”) has been successfully admitted to the List of Approved Suppliers of Materials and Specialist Contractors for Public Works under the category of Video Electronics Installation. The Group expects that we could expand our market portfolio by undertaking more projects in relation to the video electronics and closed circuit television (CCTV).

In addition, the Group has started to explore more business opportunities including those in relation to the provisioning of electric vehicles charging facilities. Several tenders in relation to the electric vehicles charging facilities in government car parks have been submitted.

Meanwhile, the Group will continue its focus in opportunities in relation to the provision of electronic payment (“**ePayment**”) in different sectors. In October 2020, KML Technology Limited has signed two teaming agreements with a credit card company and a merchant payment solution service provider respectively in relation to the provision of ePayment system. The Group will continue to deepen and widen our penetration in providing or upgrading ePayment services and solutions.

Besides, to align with the recent initiative of early deployment of the fifth generation of wireless technologies (“**5G**”) by the Hong Kong Special Administrative Region (“**HKSAR**”) Government, the Group will expedite the research and development (“**R&D**”) in this area particularly with the application of smart maintenance. We expect that by having less machine downtime, higher product quality, predictive maintenance and more informed decision making would benefit our customers both economically and operationally.

The unexpected significant influence from the outbreak of novel coronavirus across the world brings uncertainties and challenges to the Group. The Group will closely monitor the situation and will notify the stakeholders of the Company from time to time in relation to the situation affecting the Group.

展望

本集團提供全面的機電工程解決方案及服務，包括為客戶開發、設計、裝配、安裝及維護。除現有業務外，本集團已經並將繼續擴展業務範疇以及探索不同的市場領域。於二零二零年四月，高明科技工程有限公司（「**高明科技工程**」）已成功獲納入認可公共工程物料供應商及專門承造商名冊中視像裝置類別。本集團預期我們可透過承接更多有關視頻電子及閉路電視的項目而擴大我們的市場組合。

此外，本集團已開始發掘更多商機，包括提供電動汽車充電設施相關商機。本集團已提交若干有關政府停車場的電動汽車充電設施的投標。

同時，本集團將繼續專注於在不同行業提供電子支付（「**電子支付**」）的機會。於二零二零年十月，高萌科技有限公司分別與一家信用卡公司及一家為商戶提供支付解決方案服務供應商簽署有關提供電子支付系統的兩份合作協議。本集團將繼續深化及擴大我們在提供或升級電子支付服務及解決方案方面的滲透力。

此外，為符合香港特別行政區（「**香港特區**」）政府近期有關第五代無線技術（「**5G**」）的早期部署的倡議，本集團將加快該領域的研發（「**研發**」），尤其是智能維修的應用。我們預期，透過減少停機時間、提高產品質量、預測維護及作出更多知情決定將使客戶在經濟上及操作上均獲益。

全球爆發新型冠狀病毒產生的意料之外的重大影響對本集團帶來不確定因素及挑戰。本集團會將密切監察形勢，並將不時知會本公司持份者有關影響本集團的情況。

FINANCIAL REVIEW

Revenue

Revenue of the Group for the six months ended 30 September 2020 amounted to approximately HK\$120.6 million, representing an increase of approximately HK\$14.0 million or 13.1% as compared with approximately HK\$106.7 million for the six months ended 30 September 2019. Such increase was mainly contributed by the contracts awarded during year ended 31 March 2019 and 2020 which have substantial work completed during the period.

Cost of Sales and Gross Profit

The majority of the Group's cost of sales comprised (i) material and equipment; (ii) direct labour; and (iii) subcontracting cost. The cost of sales increased by approximately 14.8% from approximately HK\$77.9 million for the six months ended 30 September 2019 to approximately HK\$89.4 million for the six months ended 30 September 2020. The increase in cost of sales is mainly due to the increase of numbers of projects undertaken during the period. The gross profit of the Group increased by approximately 8.7% from approximately HK\$28.7 million for the six months ended 30 September 2019 to approximately HK\$31.2 million for the six months ended 30 September 2020. The increase in gross profit is mainly due to the increase in revenue as discussed above.

Administrative Expenses

The Group's administrative expenses decreased from approximately HK\$21.7 million for the six months ended 30 September 2019 to approximately HK\$21.6 million for the six months ended 30 September 2020.

Profit attributable to the owners of the Company

The Group recorded net profit attributable to the owners of the Company of approximately HK\$15.7 million for the six months ended 30 September 2020 (2019: net profit approximately HK\$6.0 million). The increase in net profit is mainly due to (i) an increase of gross profit; and (ii) financial support received from the HKSAR Government in response to the novel coronavirus epidemic.

財務回顧

收益

本集團截至二零二零年九月三十日止六個月的收益約為120.6百萬港元，較截至二零一九年九月三十日止六個月的約106.7百萬港元增加約14.0百萬港元或13.1%。有關增加主要由於截至二零一九年及二零二零年三月三十一日止年度所獲授的合約於本期間內完成大部份工程。

銷售成本及毛利

本集團的主要銷售成本包括(i)物料及設備；(ii)直接勞工；及(iii)分包成本。銷售成本由截至二零一九年九月三十日止六個月約77.9百萬港元增加約14.8%至截至二零二零年九月三十日止六個月約89.4百萬港元。銷售成本增加主要由於期內承接工程項目數量增加。本集團毛利由截至二零一九年九月三十日止六個月約28.7百萬港元增加約8.7%至截至二零二零年九月三十日止六個月約31.2百萬港元。毛利增加主要由於上文所討論收益增加。

行政開支

本集團行政開支由截至二零一九年九月三十日止六個月約21.7百萬港元減少至截至二零二零年九月三十日止六個月約21.6百萬港元。

本公司擁有人應佔溢利

截至二零二零年九月三十日止六個月，本集團錄得本公司擁有人應佔純利約15.7百萬港元(二零一九年：純利約6.0百萬港元)。純利增加主要由於(i)毛利增加；及(ii)香港特區政府為應對新型冠狀病毒疫情而提供的財政支持。

Liquidity, Financial Resources and Capital Structure

Historically, the Group has met the liquidity and capital requirement primarily through operating cash flows and capital contribution from its shareholders. The Group requires cash primarily for working capital needs. As at 30 September 2020, the Group had approximately HK\$91.6 million in (i) bank balances and cash; and (ii) time deposits with original maturity over three months (as at 30 September 2019: approximately HK\$55.9 million), representing an increase of approximately HK\$35.7 million as compared to that as at 30 September 2019. There has been no change on the capital structure of the Group for the six months ended 30 September 2020 and up to the date of this report (i.e. 6 November 2020) (the “**Date of this Report**”). The capital of the Company only comprises of ordinary shares.

Capital Expenditure

The Group purchased property, plant and equipment amounting to approximately HK\$1.8 million for the six months ended 30 September 2020 which comprised acquisition of furniture, fixtures and office equipment (2019: approximately HK\$3.4 million).

Dividend

The Board does not recommend a payment of an interim dividend for the six months ended 30 September 2020 (2019: Nil).

流動資金、財務資源及資本架構

過往，本集團主要透過經營現金流量及股東注資滿足其流動資金及資本需求。本集團主要需要現金應付營運資金需要。於二零二零年九月三十日，本集團有(i)銀行結餘及現金；及(ii)原到期日超過三個月的定期存款合共約91.6百萬港元(於二零一九年九月三十日：約55.9百萬港元)，較二零一九年九月三十日增加約35.7百萬港元。於截至二零二零年九月三十日止六個月及直至本報告日期(即二零二零年十一月六日)(「**本報告日期**」)，本集團資本架構並無任何變動。本公司資本僅包括普通股。

資本開支

於截至二零二零年九月三十日止六個月，本集團購買金額約1.8百萬港元的物業、廠房及設備，當中包括購買傢俱、裝置及辦公室設備(二零一九年：約3.4百萬港元)。

股息

董事會不建議就截至二零二零年九月三十日止六個月派付中期股息(二零一九年：無)。

Employees and Remuneration Policies

As at 30 September 2020, the Group had a total of 213 employees (2019: 204). The total staff cost of the Group for the six months ended 30 September 2020 was approximately HK\$37.8 million (2019: approximately HK\$36.0 million). The Group's remuneration policies are in line with the prevailing market practice and are determined on the basis of performance, qualification and experience of individual employee. The Group recognizes the importance of a good relationship with its employees. The remuneration payable to its employees includes salaries and allowances. Other benefits include provident fund scheme, medical and life insurance, discretionary bonus, share options and share awards.

Use of Proceeds from the Listing

On 16 October 2017, the Shares were listed on GEM by way of share offer (the "**Listing**"). The Group intends to apply the proceeds from the Listing in accordance with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" in the Company's prospectus dated 29 September 2017 (the "**Prospectus**").

As set out in the Prospectus, the business objectives and strategies of the Group are: (i) to expand and enhance our E&M engineering technical capability; (ii) to deepen our penetration of the Hong Kong E&M engineering industry with special focus on the Transportation Mission Critical System Solutions market by strengthening our research and development capabilities and increasing our brand awareness through marketing efforts; and (iii) to strengthen the Group's financial capabilities to undertake larger scale E&M engineering projects in the future.

After deduction of all related listing expenses and commissions, the net proceeds from Listing amounted to approximately HK\$36.0 million. The Board resolved on 10 July 2019 to change the intended use of part of the net proceeds from Listing. For further details, please refer to the announcement of the Company dated 10 July 2019.

僱員及薪酬政策

於二零二零年九月三十日，本集團合共有213名僱員(二零一九年：204名)。截至二零二零年九月三十日止六個月，本集團的員工成本總額約37.8百萬港元(二零一九年：約36.0百萬港元)。本集團的薪酬政策與當前市場慣例一致，並根據個別僱員的表現、資格及經驗而釐定。本集團明白與僱員維持良好關係的重要性。應付僱員的薪酬包括薪金及津貼。其他福利包括強積金計劃、醫療及人壽保險、酌情花紅、購股權及股份獎勵。

上市所得款項用途

於二零一七年十月十六日，股份以股份發售方式在GEM上市(「**上市**」)。本集團擬將上市所得款項按本公司日期為二零一七年九月二十九日的招股章程(「**招股章程**」)內「未來計劃及所得款項用途」一節所載的擬定用途使用。

誠如招股章程所載，本集團的業務目標及策略為：(i)擴大及提高我們的機電工程技術能力；(ii)通過增強我們的研發能力及透過營銷手段提高我們的品牌認知度加深對香港機電工程行業(特別專注於交通關鍵系統解決方案市場)的滲透率；及(iii)增強本集團日後承接較大型機電工程項目的財政實力。

經扣除所有相關上市開支及佣金後，上市所得款項淨額約為36.0百萬港元。董事會議決於二零一九年七月十日更改部分上市所得款項淨額的擬定用途。有關進一步詳情，請參閱本公司日期為二零一九年七月十日之公告。

The net proceeds have been utilised in a manner consistent with the disclosures set out in the Prospectus and the said announcement of the Company dated 10 July 2019. Up to 30 September 2020, the Group has utilised proceeds from the Listing of approximately HK\$31.1 million. An analysis of the planned usage of net proceeds, the actual utilisation of the net proceeds from the date of listing up to 30 September 2020, the revised use of net proceeds and the expected time line for utilising the remaining unused net proceeds are set out as below:

所得款項淨額已按招股章程及本公司日期為二零一九年七月十日的上述公告所披露之方式動用。直至二零二零年九月三十日，本集團已動用上市所得款項約31.1百萬港元。所得款項淨額的計劃用途、自上市日期起至二零二零年九月三十日止所得款項淨額的實際用途、所得款項淨額的經修訂用途及動用餘下尚未使用所得款項淨額的預期時間表的分析載列如下：

| | Planned use of net proceeds as stated in the Prospectus | Revised use of net proceeds | Actual use of net proceeds up to 30 September 2020 | Unutilised net proceeds as at 30 September 2020 | Expected timeline for utilising the remaining unused net proceed |
|--|---|---------------------------------|--|---|--|
| | 招股章程所載所得款項淨額的計劃用途 HK\$'000 千港元 | 所得款項淨額的經修訂用途 HK\$'000 千港元 | 直至二零二零年九月三十日所得款項淨額的實際用途 HK\$'000 千港元 | 於二零二零年九月三十日的未動用所得款項淨額 HK\$'000 千港元 | 動用餘下尚未使用所得款項淨額的預期時間表 |
| Expand and enhance our E&M engineering technical capabilities 擴大及提高我們的機電工程技術能力 | 17,952 | 9,601 | 8,039 | 1,562 | From 1 October 2020 to 31 March 2021 自二零二零年十月一日起至二零二一年三月三十一日 |
| Deepen our penetration of the Hong Kong E&M engineering industry with special focus on the Transportation Mission Critical System Solutions market by strengthening our research and development capabilities and increasing our brand awareness through marketing efforts 通過增強我們的研發能力及透過營銷手段提高我們的品牌認知度加深對香港機電工程行業(特別專注於交通關鍵系統解決方案市場)的滲透率 | 9,252 | 8,603 | 5,294 | 3,309 | From 1 October 2020 to 31 March 2021 自二零二零年十月一日起至二零二一年三月三十一日 |
| Strengthen our financial capabilities to undertake larger-scale E&M engineering projects in the future 增強我們日後承接較大型機電工程項目的財政實力 | 6,000 | 15,000 | 15,000 | - | Not applicable 不適用 |
| Working Capital and other general corporate purposes 營運資金及其他一般公司用途 | 2,796 | 2,796 | 2,796 | - | Not applicable 不適用 |
| Total 總計 | 36,000 | 36,000 | 31,129 | 4,871 | |

Comparison of Business Objectives with Actual Business Progress

An analysis comparing the business objectives as set out in the Company's Prospectus with the Group's actual business progress for the period from the date of listing up to 30 September 2020 is set out below:

Business strategy 業務策略

Expand and enhance our E&M engineering technical capabilities by:

- (i) Increasing our productivity through the purchase of new machineries and equipment;
- (ii) Improving our material handling and field service capacity;
- (iii) Purchasing and implementing information technology solutions; and
- (iv) Retaining our talents and enhancing the risk mitigation measures.

透過以下方式擴大及提高我們的機電工程技術能力：

- (i) 通過採購新機器及設備增加我們的生產力；
- (ii) 提高我們的物料處理及現場施工能力；
- (iii) 採購及執行資訊科技解決方案；及
- (iv) 挽留人才及加強風險緩減措施。

業務目標與實際業務進展之比較

載於本公司招股章程之業務目標與本集團由上市日期至二零二零年九月三十日止期間之實際業務進展之比較分析如下：

Actual business progress up to 30 September 2020 截至二零二零年九月三十日止的實際業務進展

The Group has purchased several fibre cable testing related equipment in order to maintain our competitiveness in the railway sector as the Group anticipates that E&M engineering systems in the railways will rely increasingly on optical fibre networks to transfer relevant system data in the future.

The Group has enhanced our insurance coverage and employee remuneration packages, including (i) upgrading of employees' medical insurance plan; (ii) purchasing of the Group's professional indemnity insurance plan; (iii) purchasing of the Group's product liability insurance plan; (iv) providing funds for the employees' performance bonus scheme; and (v) granting of share awards to certain eligible employees.

The Group has rented additional space and storage facilities to cater for additional space required for operation and to accommodate the new machineries and equipment to be purchased.

The Group has purchased four vehicles to increase our travelling efficiency and allow our project teams to transport additional spare parts and equipment for use in our operations.

The Group is in the process of selecting (i) three-dimensional ("3D") printer; and (ii) laser welding machine.

本集團已採購若干光纖電纜測試相關設備以維持我們於鐵路行業的競爭力，因本集團預期鐵路的機電工程系統將愈來愈依賴光學纖維網絡以於未來傳送相關系統數據。

本集團已擴大保險覆蓋範圍及提高僱員薪酬待遇，包括(i)升級僱員醫療保險計劃；(ii)採購本集團的專業責任保險計劃；(iii)採購本集團的產品責任保險計劃；(iv)為僱員績效獎金計劃提供資金；及(v)向若干合資格僱員授出股份獎勵。

本集團已租用額外場所及存儲設施迎合營運所需的額外空間及容納將予購買的新機器及設備。

本集團已購買四輛汽車增加我們的運輸效率及可使我們的項目團隊運輸額外零件及設備以供營運使用。

本集團正在挑選(i)三維("3D")打印機；及(ii)激光焊接機。

Deepen our penetration of the E&M engineering industry with special focus on the Transportation Mission Critical System Solutions market by strengthening our research and development capabilities and increasing our brand awareness through marketing efforts through:

- (i) Expanding our office space and work area;
- (ii) Increasing our marketing efforts and business exposure; and
- (iii) Enhancement of our research and development capabilities.

通過增強我們的研發能力及透過營銷手段提高我們的品牌認知度加深對機電工程行業(特別專注於交通關鍵系統解決方案市場)的滲透率，方式為：

- (i) 擴大辦公室及工作空間；
- (ii) 加大我們的營銷效能及推廣我們的業務；及
- (iii) 提高我們的研發能力。

Strengthen our financial capabilities to undertake larger-scale E&M engineering projects in the future.

增強我們日後承接較大型機電工程項目的財政實力。

The Group has (i) arranged our employees to participate in exhibitions, conference and symposiums; and (ii) been making an effort to increase business exposure in Taiwan.

The Group has produced corporate and promotional video in order to increase our corporate image as well as brand awareness.

The Group has purchased three-dimensional design software, enabling us to create three dimensional drawings and designs for our products.

The Group has purchased additional computer hardware and software, enhancing the development of electronic payment system.

The Group has marched in to the Hong Kong Science and Technology Parks.

The Group has completed the renovation of the head office in order to (i) increase the office and working space; and (ii) provide a space for marketing office use.

The Group has recruited three designated staff focusing in R&D activities.

本集團已(i)安排僱員參與展覽會、會議及研討會；及(ii)盡力擴展台灣的業務。

本集團已製作企業宣傳視頻，以提升我們的企業形象以及品牌意識。

本集團已購買三維設計軟件，可使我們為產品創建三維圖紙及設計。

本集團已購買額外的電腦硬件及軟件，以增強電子付款系統的開發。

本集團已進駐香港科技園。

本集團已完成總辦事處的裝修工程，以(i)增加辦公室及工作空間；及(ii)提供營銷辦公室的使用空間。

本集團已招募三名指定人員，專注於研發活動。

The Group has further enhanced our banking facilities in order to improve the provision of performance guarantees such that the Group could undertake large-scale E&M engineering projects.

本集團已進一步增加銀行融資以改善提供履約擔保，以使本集團可承接大型機電工程項目。

Gearing Ratio

The ratio was not applicable for the six months ended 30 September 2020 as no borrowing was incurred. (2019: 1.7%).

Foreign Exchange Exposure

We conduct business with customers, suppliers and subcontractors located in Hong Kong, the People's Republic of China and overseas. The Group's exposure to currency risk mainly arise from the fluctuation of Renminbi, Euro or United States dollars. The Group currently does not have any hedging policy in place for its foreign exchange exposure. However, the Board will remain alert to any relevant risk and, if necessary, consider hedging any potential material foreign exchange risk.

Treasury Policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the six months ended 30 September 2020. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Significant Investments and Future Plans for Material Investments and Capital Assets

The Group did not hold any significant investments in equity interest in any other companies as at 30 September 2020. Except for those included in the section headed "Future Plans and Use of Proceeds" for inclusion in the Prospectus, the Group had no definite future plans for material investments and capital assets.

資產負債比率

截至二零二零年九月三十日止六個月並
不適用該比率，因並無產生借貸（二零
一九年：1.7%）。

外匯風險

我們與香港、中華人民共和國及海外客
戶、供應商及分包商均有業務往來。
本集團所面臨的貨幣風險主要來自人民
幣、歐元或美元的波動。目前本集團並
無進行對沖政策以應對外匯風險。然
而，董事會將對任何相關風險保持警
覺，如有需要將考慮對可能產生的重大
外匯風險予以對沖。

庫務政策

本集團的庫務政策採納穩健的財務管理
方針，因此，於截至二零二零年九月
三十日止六個月，流動資金狀況均處於
健康水平。本集團致力透過持續進行信
貸評估及評估客戶的財務狀況，減低所
承受的信貨風險。為管理流動資金風
險，董事會密切監察本集團的流動資金
狀況，確保本集團資產、負債及其他承
諾組成的流動資金架構能應付不時的資
金需要。

重大投資與重大投資及資本資產的未來 計劃

於二零二零年九月三十日，本集團並無
於任何其他公司的股本權益持有任何重
大投資。除招股章程內「未來計劃及所
得款項用途」一節所載者外，本集團並
無有關重大投資及資本資產的實質未來
計劃。

Material Acquisitions and Disposals of Subsidiaries, Associates or Joint Ventures

Apart from the reorganisation in relation to the listing as disclosed in the Prospectus, there were no other significant investments held, material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 September 2020.

Pledge of Assets

As at 30 September 2020, the Group has pledged (i) approximately HK\$14.2 million bank deposits; and (ii) approximately HK\$5.3 million investments in life insurance policies to secure general banking facilities granted to the Group.

Commitments

The Group did not have any capital commitments or operating lease commitments as at 30 September 2020 (2019: operating lease commitments of approximately HK\$2.9 million).

Contingent Liabilities

As at 30 September 2020, the Group did not have any significant contingent liabilities (2019: Nil).

Financial Risk Management

Risk management is carried out by the Group's finance department under policies approved by the Board. The finance department identifies, evaluates and hedges financial risks in close co-operation with operating units. The Board provides guidance for overall risk management and specific areas, such as market risk, interest rate risk, credit risk and liquidity risk.

Subsequent Events

As at the Date of this Report, there were no subsequent events after this reporting period.

附屬公司、聯營公司或合營公司的重大收購及出售

除招股章程所披露就上市所進行的重組外，於截至二零二零年九月三十日止六個月並無持有其他重大投資，亦並無有關附屬公司、聯營公司或合營公司的重大收購或出售。

資產抵押

於二零二零年九月三十日，本集團已抵押(i)約14.2百萬港元的銀行存款；及(ii)約5.3百萬港元的人壽保單中的投資以獲得授予本集團的一般銀行融資。

承擔

於二零二零年九月三十日，本集團並無任何資本承擔或經營租賃承擔(二零一九年：經營租賃承擔約2.9百萬港元)。

或然負債

於二零二零年九月三十日，本集團並無任何重大或然負債(二零一九年：無)。

財務風險管理

風險管理由本集團財務部根據經董事會批准的政策執行。財務部與營運單位緊密合作，共同識別、評估及對沖財務風險。董事會就整體風險管理及多個特定範圍(如市場風險、利率風險、信貸風險及流動資金風險)提供指引。

期後事項

於本報告日期，概無本報告期後事項。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company (the “**Shareholder(s)**”) and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 15 to the GEM Listing Rules as its own code of corporate governance. During the six months ended 30 September 2020, the Company has complied with all applicable code provisions of the CG Code.

COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors’ securities transactions in the securities of the Company. Having made specific enquiries of all the Directors, each of the Director has confirmed that he has complied with the required standard of dealings during the six months ended 30 September 2020 and up to the Date of this Report.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and the CG Code. The Audit Committee comprises three members, namely Mr. Lau On Kwok (chairman), Mr. Law Wing Chi Stephen and Dr. Tse Chi Kong, all of them are independent non-executive Directors. The Audit Committee has reviewed with the management the accounting policies and practices adopted by the Group and discussed with the management internal control and financial reporting matters of the Company, including the review of the unaudited condensed consolidated results of the Group for the six months ended 30 September 2020 and the interim report. The Audit Committee is of the opinion that the unaudited condensed consolidated results of the Group for the six months ended 30 September 2020 comply with the applicable accounting standards and that adequate disclosure has been made.

企業管治常規

本公司致力維持高水平的企業管治，以保障本公司股東（「股東」）權益以及提升企業價值及問責性。本公司已採納GEM上市規則附錄十五所載的企業管治守則（「企業管治守則」），作為其本身的企業管治守則。截至二零二零年九月三十日止六個月，本公司已遵守企業管治守則項下的所有適用守則條文。

遵守董事進行證券交易的必守標準

本公司已採納GEM上市規則第5.48至5.67條所規定的交易必守標準作為其自身於本公司證券交易中董事證券交易行為守則。經向全體董事作出特定查詢後，各董事確認，截至二零二零年九月三十日止六個月及直至本報告日期已遵守交易必守標準。

審核委員會及中期業績審閱

本公司已遵照GEM上市規則第5.28條至第5.33條及企業管治守則成立審核委員會（「**審核委員會**」）並以書面界定其職權範圍。審核委員會由三名成員（劉安國先生（主席）、羅永志先生及謝智剛博士）組成，彼等均為獨立非執行董事。審核委員會已連同管理層審閱本集團採納的會計政策及慣例，並与管理層討論本公司的內部監控及財務申報事宜，包括審閱本集團截至二零二零年九月三十日止六個月的未經審核簡明綜合業績及中期報告。審核委員會認為，本集團截至二零二零年九月三十日止六個月的未經審核簡明綜合業績符合適用會計準則，並已作出足夠披露。

CHANGES TO DIRECTORS INFORMATION

As at the Date of this Report, the Directors confirm that no information is required to be disclosed pursuant to GEM Rule 17.50(2) and 17.50A(1) of the GEM Listing Rules during the six months ended 30 September 2020.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 September 2020 (the “**Relevant Period**”), neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2020, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”)) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), which were recorded in the register required to be kept pursuant to Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

董事資料變動

於本報告日期，董事確認，於截至二零二零年九月三十日止六個月內，概無資料須根據GEM上市規則第17.50(2)及17.50A(1)條予以披露。

購買、出售或贖回本公司的上市證券

於截至二零二零年九月三十日止六個月（「**相關期間**」），本公司或任何其附屬公司概無購買、出售或贖回任何本公司的上市證券。

董事及主要行政人員於股份、相關股份及債權證的權益及淡倉

於二零二零年九月三十日，董事及本公司主要行政人員於本公司或其相聯法團（定義見《證券及期貨條例》（「**證券及期貨條例**」）第XV部）股份、相關股份及債權證中擁有根據《證券及期貨條例》第XV部第7和8分部知會本公司及聯交所的權益及淡倉（包括根據《證券及期貨條例》有關條文視為或當作擁有的權益及淡倉），或登記於根據《證券及期貨條例》第352條存置的登記冊；或根據GEM上市規則第5.46至5.67條須知會本公司及聯交所的權益及淡倉如下：

| Name | Capacity/ Nature of Interest | Number of Shares/ underlying Shares held/ interested | Long/short position ⁽⁵⁾ | Approximate percentage of shareholding in the Company |
|---|--|--|---------------------------------------|--|
| 姓名 | 身份／權益性質 | 所持／ 擁有權益股份／ 相關股份數目 | 好倉／淡倉 ⁽⁶⁾ | 於本公司的 持股概約百分比 (%) |
| Mr. Luk Kam Ming ("Mr. KM Luk") ⁽¹⁾ 陸鑑明先生 (「陸鑑明先生」) ⁽¹⁾ | Beneficial owner; interest of spouse 實益擁有人；配偶權益 | 157,000,000 | L | 39.25 |
| Mr. Luk Kwai Lung ("Mr. KL Luk") ⁽²⁾ 陸季農先生 (「陸季農先生」) ⁽²⁾ | Interest in controlled corporation 受控法團權益 | 138,000,000 | L | 34.50 |
| Mr. Luk Yin Cheung ("Mr. YC Luk") ⁽²⁾⁽³⁾ 陸彥彰先生 (「陸彥彰先生」) ⁽²⁾⁽³⁾ | Interest in controlled corporation; interest of spouse 受控法團權益；配偶權益 | 138,600,000 | L | 34.65 |
| Mr. Chan Chak Lun Philip ("Mr. CL Chan") ⁽⁴⁾ 陳澤麟先生 (「陳澤麟先生」) ⁽⁴⁾ | Beneficial owner 實益擁有人 | 4,000,000 | L | 1.00 |

Notes:

附註：

- (1) Mr. KM Luk directly holds 100,000,000 Shares. Since Mr. KM Luk is the spouse of Ms. Leung Kwok Yee ("Madam Leung"), Mr. KM Luk is deemed to be interested in all the Shares in which Madam Leung is interested or deemed to be interested under the SFO, which is 57,000,000 Shares.
- (1) 陸鑑明先生直接擁有100,000,000股股份。由於陸鑑明先生為梁嫻儀女士(「梁女士」)的配偶，故陸鑑明先生被視為於梁女士擁有權益或根據《證券及期貨條例》被視作擁有權益的所有股份(即57,000,000股股份)中擁有權益。
- (2) Each of Mr. KL Luk and Mr. YC Luk owns one common share in KML Holdings Limited ("KML Holdings"), representing 50% of the issued share capital of KML Holdings carrying voting rights. Mr. KL Luk and Mr. YC Luk are deemed to be interested in all Shares in which KML Holdings is interested or deemed to be interested under the SFO, which is 138,000,000 Shares.
- (2) 陸季農先生及陸彥彰先生各自擁有一股KML Holdings Limited(「KML Holdings」)普通股(佔KML Holdings附帶投票權之已發行股本的50%)。陸季農先生及陸彥彰先生被視為於KML Holdings擁有權益或根據《證券及期貨條例》被視作擁有權益的所有股份(即138,000,000股股份)中擁有權益。
- (3) Since Mr. YC Luk is the spouse of Ms. Woo Siu Wai ("Madam Woo"), Mr. YC Luk is deemed to be interest in all the Shares in which Madam Woo is interested or deemed to be interested under the SFO, which is 600,000 Shares.
- (3) 由於陸彥彰先生為胡勁卉女士(「胡女士」)的配偶，根據《證券及期貨條例》，陸彥彰先生被視為於胡女士擁有權益或被視為擁有權益的所有股份(即600,000股股份)中擁有權益。

- (4) Mr. CL Chan directly holds 2,000,000 Shares and was interested as a grantee of options to subscribe for up to 2,000,000 Shares under the Share Option Scheme (announced on 2 January 2020).
- (5) The Letter "L" denotes the entity/person's long position in the Shares.

- (4) 陳澤麟先生直接持有2,000,000股股份並以購股權承授人身份擁有權益，可根據購股權計劃（於二零二零年一月二日公佈）認購最多2,000,000股股份。
- (5) 字母「L」表示該實體／個人於股份之好倉。

Save as disclosed above, as at 30 September 2020, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

除上文所披露者外，於二零二零年九月三十日，概無董事或本公司主要行政人員於本公司或其相關法團（定義見《證券及期貨條例》第XV部）的股份、相關股份或債權證中擁有或被視作擁有任何根據《證券及期貨條例》第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉（包括根據《證券及期貨條例》有關條文彼等被當作或視作擁有的權益及淡倉）、或須登記於根據《證券及期貨條例》第352條存置的登記冊內的權益或淡倉、或根據GEM上市規則第5.46至5.67條須知會本公司和聯交所的權益或淡倉。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

主要股東於股份、相關股份及債權證的權益及淡倉

As at 30 September 2020, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

於二零二零年九月三十日，就董事所深知，以下人士（並非董事或本公司主要行政人員）於股份或相關股份擁有本公司根據《證券及期貨條例》第336條須存置的登記冊所記載及根據《證券及期貨條例》第XV部第2及3分部條文須向本公司披露的權益或淡倉：

| Name | Capacity/ Nature of Interest | Number of Shares/ underlying Shares held/ interested | Long/short position ⁽⁵⁾ | Approximate percentage of shareholding in the Company |
|--|--|--|---------------------------------------|--|
| 姓名 | 身份／權益性質 | 所持／擁有 權益股份／ 相關股份數目 | 好倉／淡倉 ⁽⁶⁾ | 於本公司的 股權概約百分比 (%) |
| KML Holdings ⁽¹⁾ | Beneficial owner 實益擁有人 | 138,000,000 | L | 34.50 |
| Madam Leung ⁽²⁾ 梁女士 ⁽²⁾ | Beneficial owner; interest of spouse 實益擁有人；配偶權益 | 157,000,000 | L | 39.25 |
| Ms. Chan Patricia ⁽³⁾ 陳珮筠女士 ⁽³⁾ | Interest of spouse 配偶權益 | 138,000,000 | L | 34.50 |
| Madam Woo ⁽⁴⁾ 胡女士 ⁽⁴⁾ | Beneficial owner; interest of spouse 實益擁有人；配偶權益 | 138,600,000 | L | 34.65 |

Notes:

附註：

- | | | | |
|-----|--|-----|---|
| (1) | Each of Mr. KL Luk and Mr. YC Luk owns one common share in KML Holdings, representing 50% of the issued share capital of KML Holdings carrying voting rights. Mr. KL Luk and Mr. YC Luk also own approximately 50% and approximately 50%, respectively, of the issued preferred shares in KML Holdings which do not carry voting rights but only rights to dividends. | (1) | 陸季農先生及陸彥彰先生各自擁有KML Holdings一股普通股，佔KML Holdings附帶投票權的已發行股本50%。陸季農先生及陸彥彰先生亦分別擁有KML Holdings已發行優先股（並無附帶投票權但僅有收取股息的權利）約50%及約50%。 |
| (2) | Madam Leung is the spouse of Mr. KM Luk. By virtue of the SFO, Madam Leung is deemed to be interested in all the Shares in which Mr. KM Luk is interested or deemed to be interested under the SFO, and vice versa. | (2) | 梁女士為陸鑑明先生的配偶。根據《證券及期貨條例》，梁女士被視為於陸鑑明先生擁有權益或根據《證券及期貨條例》被視作擁有權益的所有股份中擁有權益，反之亦然。 |
| (3) | Ms. Chan Patricia is the spouse of Mr. KL Luk. By virtue of the SFO, Ms. Chan Patricia is deemed to be interested in all the Shares in which Mr. KL Luk is interested or deemed to be interested under the SFO. | (3) | 陳珮筠女士為陸季農先生的配偶。根據《證券及期貨條例》，陳珮筠女士被視為於陸季農先生擁有權益或根據《證券及期貨條例》被視作擁有權益的所有股份中擁有權益。 |
| (4) | Madam Woo is the spouse of Mr. YC Luk. By virtue of the SFO, Madam Woo is deemed to be interested in all the Shares in which Mr. YC Luk is interested or deemed to be interested under the SFO, which is 138,000,000 Shares. Madam Woo directly holds 300,000 Shares and was interested as a grantee of options to subscribe for up to 300,000 Shares under the Share Option Scheme (announced on 2 January 2020). | (4) | 胡女士為陸彥彰先生的配偶。根據《證券及期貨條例》，胡女士被視為於陸彥彰先生擁有權益或根據《證券及期貨條例》被視作擁有權益的所有股份（即138,000,000股股份）中擁有權益。胡女士直接持有300,000股股份並以購股權承授人身份擁有股份權益；可根據購股權計劃（於二零二零年一月二日公佈）認購最多300,000股股份。 |
| (5) | The Letter “L” denotes the entity/person’s long position in the Shares. | (5) | 字母「L」表示該實體／個人於股份之好倉。 |

Save as disclosed above, as at 30 September 2020, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

SHARE OPTION SCHEME

In order to recognise and acknowledge the contributions that the directors and employees of the Group have made or may make to the Group, the Company approved and adopted the share option scheme pursuant to the written resolutions of the Shareholders passed on 20 September 2017 (the “Share Option Scheme”).

- (i) The Board may, at its absolute discretion and on such terms as it may think fit, grant an option to subscribe any director or employee of the Group, from time to time on the basis of his/her contribution or potential contribution to the development and growth of the Group.
- (ii) The maximum number of Shares in respect of which options may be granted under the Share Option Scheme must not in aggregate exceed 40,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of approval of the Share Option Scheme.
- (iii) The total number of Shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the Share Option Scheme, in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue. Any further grant of options in excess of such limit must be separately approved by Shareholders in general meeting with such grantee and his/her close associates abstaining from voting.

除上文所披露者外，於二零二零年九月三十日，董事並不知悉任何人士（並非董事或本公司主要行政人員）於本公司股份或相關股份中擁有根據《證券及期貨條例》第XV部第2及3分部須予披露，或根據《證券及期貨條例》第336條須記入該條所述登記冊內的權益或淡倉。

購股權計劃

為嘉許及表揚已經或可能對本集團作出貢獻的本集團董事及僱員，本公司已根據股東於二零一七年九月二十日通過的書面決議案批准及採納購股權計劃（「購股權計劃」）。

- (i) 董事會可全權酌情及按照其可能認為合適的相關條款，基於對本集團的發展及成長所作出之貢獻或潛在貢獻不時向本集團的任何董事或僱員授出購股權。
- (ii) 根據購股權計劃可能授出之購股權可認購之股份最大數目合計不得超過40,000,000股股份，佔於購股權計劃獲批准日期已發行股份總數的10%。
- (iii) 直至授出日期止任何12個月期間，因根據購股權計劃授予任何參與者的購股權（包括已行使及尚未行使的購股權）獲行使而己發行及將發行的股份總數不得超過已發行股份的1%。額外授出任何超過該上限的購股權須經股東於股東大會上另行批准，且該承授人及其緊密聯繫人須放棄投票。

- (iv) An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed 10 years from the date of grant subject to the provisions of early termination thereof.
- (v) An offer for the grant of options must be accepted within three business days from the date of offer. The amount payable by the eligible persons of an option to the Company on acceptance of the offer for the grant of an option is HK\$10.
- (vi) The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to an eligible person and shall not be less than the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option.
- (vii) The Share Option Scheme will remain in force for a period of 10 years commencing on the date of listing and shall expire at the close of business on the business day immediately preceding the 10th anniversary thereof unless terminated earlier by the Shareholders in a general meeting.
- (iv) 承授人可於董事會可能釐定的期間，隨時根據購股權計劃的條款行使購股權，惟有關期間不得超過由授出日期起計10年，並受有關提前終止條文所規限。
- (v) 授出購股權的要約須於要約日期起三個營業日內接納。購股權的合資格人士須於接納要約時就獲授的一份購股權向本公司支付10港元。
- (vi) 根據購股權計劃授出的任何一份特別購股權的股份認購價將為由董事會全權釐定並通知合資格人士的價格，且不得低於下列各項中的最高者：(i)聯交所每日報價表所報股份於授出購股權當日(須為營業日)的收市價；(ii)聯交所每日報價表所報股份於緊接授出購股權當日前五個營業日的平均收市價；及(iii)股份於授出購股權當日的面值。
- (vii) 購股權計劃將於上市日期起計10年內有效，除非在股東大會上遭股東提早終止，否則於緊接購股權計劃滿十週年前一個營業日的營業時間結束時屆滿。

On 2 January 2020, the Company granted 9,800,000 share options (“Options”) to certain eligible participants (the “Grantee(s)”), subject to acceptance by the Grantees, to subscribe for Shares with nominal value of HK\$0.01 each of the Company under the Share Option Scheme. Among the Options granted, 2,000,000 Options were granted to a Director of the Company, 700,000 Options were granted to a director of a subsidiary of the Company and 300,000 Options were granted to an associate to a Director of the Company.

於二零二零年一月二日，本公司根據購股權計劃向若干合資格參與者（「承授人」）授出9,800,000份購股權（「購股權」），以認購本公司股本中每股面值0.01港元之股份，惟尚待承授人接納，方可作實。在授出的購股權當中，2,000,000份購股權授予本公司一名董事、700,000份購股權授予本公司附屬公司的一名董事及300,000份購股權授予本公司一名董事的聯繫人。

9,800,000 Options were granted on 2 January 2020. The estimated fair values of the Options granted was approximately HK\$1,057,000, which was calculated by using the binomial option pricing model based on following inputs. The values of the Options are subject to certain fundamental limitations, including the subjective nature of and uncertainty relating to a number of assumptions of the expected future performance input to the model, and certain inherent limitations of the model itself. The expected volatility was determined with reference to the historical daily volatilities of the Share price of the Company. The risk-free rate was determined with reference to the prevailing rates on debt securities as reference from Thomson Reuters.

9,800,000份購股權已於二零二零年一月二日授出。已授出購股權的估計公允價值約為1,057,000港元，乃根據以下數據採用二項式期權定價模式計算。購股權價值之準確性乃受制於若干因素，當中包括為預測未來表現而作的多項假設所涉及之主觀性質及不明朗因素，以及計算模式的內在限制。預期波幅乃參考本公司股價以往之每日波幅釐定。無風險利率乃參考湯森路透社所示債務證券之現行利率釐定。

Date of grant

授出日期

2 January 2020

二零二零年一月二日

| | |
|---|---|
| Share price at grant date 於授出日期的股份價格 | HK\$0.250 0.250港元 |
| Exercise price 行使價 | HK\$0.259 0.259港元 |
| Expected volatility 預期波幅 | 54.96% 54.96% |
| Expected life 預期年期 | 5 years from the date of grant 自授出日期起計五年 |
| Risk-free rate 無風險利率 | 2.056% 2.056% |
| Expected dividend yield 預期股息率 | 0% 0% |
| Exercise multiple 行使倍數 | 2.x 2.x |

Details regarding the number of Options, date of grant, vesting period, exercise period and exercise price of the Options granted under the Share Option Scheme that were still outstanding as at 30 September 2020 are set out below:

有關根據於二零二零年九月三十日仍尚未行使的購股權計劃授出購股權之購股權數目、授出日期、歸屬期、行使期及行使價之詳情載列如下：

| Name of participants | Date of Options granted | Total number of Options granted | Number of Options granted | Vesting period | Exercise period | Exercise price of Options | Closing price immediately before date of grant |
|--|-----------------------------|---------------------------------|---------------------------|--|--|----------------------------------|--|
| 參與者姓名 | 授出購股權日期 | 已授出購股權數目總數 | 已授出購股權數目 | 歸屬期 | 行使期 | 購股權行使價 HK\$ per share 每股港元 | 緊接授出日期前之收市價 HK\$ per share 每股港元 |
| Mr. CL Chan (Director and chief executive officer) 陳澤麟先生 (董事兼行政總裁) | 2 January 2020 二零二零年一月二日 | 2,000,000 | 2,000,000 | 2 January 2020 to 30 June 2021 二零二零年一月二日至 二零二一年六月三十日 | 1 July 2021 to 1 January 2025 二零二一年七月一日至 二零二五年一月一日 | 0.259 | 0.25 |
| Ms. Wai Hang Ying Helen (Director of KML Engineering) 衛杏英女士 (高明科技工程的董事) | 2 January 2020 二零二零年一月二日 | 700,000 | 700,000 | 2 January 2020 to 30 June 2021 二零二零年一月二日至 二零二一年六月三十日 | 1 July 2021 to 1 January 2025 二零二一年七月一日至 二零二五年一月一日 | 0.259 | 0.25 |
| Madam Woo (Company Secretary) 胡女士 (公司秘書) | 2 January 2020 二零二零年一月二日 | 300,000 | 300,000 | 2 January 2020 to 30 June 2021 二零二零年一月二日至 二零二一年六月三十日 | 1 July 2021 to 1 January 2025 二零二一年七月一日至 二零二五年一月一日 | 0.259 | 0.25 |
| Employees 僱員 | 2 January 2020 二零二零年一月二日 | 6,800,000 | 3,500,000 | 2 January 2020 to 30 June 2020 二零二零年一月二日至 二零二零年六月三十日 | 1 July 2020 to 1 January 2025 二零二零年七月一日至 二零二五年一月一日 | 0.259 | 0.25 |
| | | | 3,300,000 | 2 January 2020 to 1 January 2021 二零二零年一月二日至 二零二一年一月一日 | 2 January 2021 to 1 January 2025 二零二一年一月一日至 二零二五年一月一日 | 0.259 | 0.25 |
| Total 總計 | | 9,800,000 | | | | | |

Details of the movements of Options granted, exercised or cancelled/lapsed during the six months ended 30 September 2020 and still outstanding as at 30 September 2020 are as follows:

於截至二零二零年九月三十日止六個月內已授出、已行使或已注銷／已失效及於二零二零年九月三十日尚未行使之購股權變動詳情如下：

| Name of participants 參與者姓名 | Outstanding as at 1 July 2020 於二零二零年 七月一日 尚未行使 | Number of Options granted 已授出 購股權數目 | Number of Options exercised 已行使 購股權數目 | Number of Options cancelled 已註銷 購股權數目 | Number of Options lapsed 已失效 購股權數目 | Outstanding as at 30 September 2020 於二零二零年 九月三十日 尚未行使 |
|--|---|--|--|--|---|--|
| | Mr. CL Chan (Director and chief executive officer) 陳澤麟先生 (董事兼行政總裁) | 2,000,000 | - | - | - | - |
| Ms. Wai Hang Ying Helen (Director of KML Engineering) 衛杏英女士 (高明科技工程的董事) | 700,000 | - | - | - | - | 700,000 |
| Madam Woo (Company Secretary) 胡女士 (公司秘書) | 300,000 | - | - | - | - | 300,000 |
| Employees 僱員 | 6,800,000 | - | - | - | - | 6,800,000 |
| Total 總計 | 9,800,000 | - | - | - | - | 9,800,000 |

SHARE AWARD SCHEME

The Company adopted a share award scheme (the “Share Award Scheme”) on 5 November 2018 (the “Adoption Date”). Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term of 15 years commencing on the Adoption Date. Please refer to the announcement dated 5 November 2018 for details.

On 29 June 2020 and 6 July 2020, 800,000 and 1,750,000 Awarded Shares were granted to employees of KML Engineering respectively. The 2,550,000 Awarded Shares granted represent approximately 0.64% of the total number of Shares in issue as at the Date of this Report.

股份獎勵計劃

本公司於二零一八年十一月五日（「採納日期」）採納一項股份獎勵計劃（「股份獎勵計劃」）。股份獎勵計劃將自採納日期起生效，有效期為十五年，董事會可決定提前終止。有關詳情，請參閱日期為二零一八年十一月五日的公告。

於二零二零年六月二十九日及二零二零年七月六日，800,000股及1,750,000股獎勵股份分別授予高明科技工程的僱員。授出的2,550,000股獎勵股份佔本報告日期已發行股份總數約0.64%。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this interim report, at no time during the Relevant Period was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

Save as disclosed in this interim report, during the Relevant Period, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

CONNECTED TRANSACTIONS

During the Relevant Period, the Group entered into certain connected transactions with the connected person of the Company, namely KML Limited.

KML Engineering, a wholly-owned subsidiary of the Company, as tenant entered into a tenancy agreement on 30 March 2020 (the "**Tenancy Agreement**") with KML Limited as landlord, pursuant to which KML Limited agreed to lease to KML Engineering the premises and certain parking spaces. The Directors believe that the entering of this Tenancy Agreement is necessary for the continuous use of the premises by KML Engineering and the growth and operations of the Group.

KML Limited is a company incorporated in Hong Kong and owned as to 78.2% by Golden Sail International Limited, which is wholly-owned by a trustee for a family trust where the beneficiaries include Mr. KM Luk and Madam Leung. Therefore, KML Limited is an associate of each of Mr. KM Luk and Madam Leung, and hence is a connected person of the Company.

董事收購股份或債權證的權利

除本中期報告所披露者外，於相關期間內任何時間，本公司或其任何附屬公司概無訂立任何安排，使董事可藉收購本公司或任何其他法團的股份或債權證而獲得利益，且董事或其任何配偶或未滿18歲子女概無獲授予任何認購本公司或任何其他法團的權益或債務證券的權利或已經行使任何該權利。

董事及控股股東於競爭業務的權益

除本中期報告所披露者外，於相關期間，概無董事或彼等各自的聯繫人從事與本集團業務直接或間接競爭或可能競爭的任何業務或於該等業務中擁有權益。

關連交易

於相關期間內，本集團與本公司關連人士(即圖遠有限公司)訂立若干關連交易。

於二零二零年三月三十日，本公司的全資附屬公司高明科技工程(作為租戶)與圖遠有限公司(作為業主)訂立一份租賃協議(「租賃協議」)，據此，圖遠有限公司同意向高明科技工程租賃該等物業及若干泊車位。董事相信訂立該租賃協議對高明科技工程持續使用物業以及本集團的增長及營運而言屬必需。

圖遠有限公司為於香港註冊成立的公司及由Golden Sail International Limited擁有78.2%，而該公司由一名受託人代家族信託(受益人包括陸鑑明先生及梁女士)全資擁有。因此，圖遠有限公司為陸鑑明先生及梁女士的聯繫人，故為本公司的關連人士。

The principal terms of the Tenancy Agreement are set out below:

- (i) The term of the Tenancy Agreement is for a fixed term commencing on 1 April 2020 and expiring on 30 September 2021 unless terminated earlier upon certain events of default as provided in the Tenancy Agreement.
- (ii) the monthly rent of HK\$463,100 per calendar month payable by KML Engineering (exclusive of management fees, government rates and rent and outgoings).

The actual aggregate rent payable by KML Engineering under the Tenancy Agreement for the six months ended 30 September 2020 amounted to approximately HK\$2.8 million.

Save as disclosed in this interim report, during the Relevant Period, the Company had no connected transactions or continuing connected transactions which fell to be disclosed in accordance with the provisions under Chapter 20 of the GEM Listing Rules in relation to the disclosure.

On behalf of the Board
KML Technology Group Limited
Luk Kam Ming
Chairman and Executive Director

Hong Kong, 6 November 2020

As at the Date of this Report, the executive Directors are Mr. LUK Kam Ming, Mr. CHAN Chak Lun Philip, Mr. LUK Kwai Lung and Mr. LUK Yin Cheung; and the independent non-executive Directors are Mr. LAU On Kwok, Mr. LAW Wing Chi Stephen and Dr. TSE Chi Kong.

租賃協議的主要條款載於下文：

- (i) 租賃協議的期限乃固定，除非因發生租賃協議訂明的若干違約事件而提前終止，否則將自二零二零年四月一日起計及於二零二一年九月三十日到期。
- (ii) 高明科技工程應付的月租約為463,100港元(不包括管理費、政府差餉、地租及支出)。


於截至二零二零年九月三十日止六個月，高明科技工程根據租賃協議應付的實際租金總額約為2.8百萬港元。

除本中期報告所披露者外，於相關期間內，本公司並無任何關連交易或持續關連交易須根據GEM上市規則第20章有關披露的條文予以披露。

承董事會命
高萌科技集團有限公司
陸鑑明
主席兼執行董事

香港，二零二零年十一月六日

於本報告日期，執行董事為陸鑑明先生、陳澤麟先生、陸季農先生及陸彥彰先生；及獨立非執行董事為劉安國先生、羅永志先生及謝智剛博士。



高萌·科技

KML Technology Group Limited

高萌科技集團有限公司